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March 18, 1999 LB 673, 674, 675

done in relationship to the school employees retirement. I do want to mention Section 1 and 2 of the committee amendment amends the judges retirement system into the bill, and these sections are taken... are directly from LB 675, which is another benefit enhancement bill. Commencing July 1st, if you'll note that there is a different date for this to begin for the judges, July 1st, the year 2000, and it increases current and future benefit levels to 75 percent of the purchasing power, and future COLAs would then be provided each July 1st to sustain this 75 percent of purchasing power. Beginning July 1st, 2000, it provides an annual COLA of 2 percent or actual CPI, whichever is The net effect of combining the two COLAs would be that the retiree would receive the 2 percent COLA or CPI, if less, until the benefit dropped to a 75 percent purchase power level. with the early amendment for school employees, amendments also include the clarification of a national CPI. This amendment also discontinues the Judges Purchasing Power Stabilization Fund and transfers money to the Nebraska Retirement Fund for Judges. The retirement board adjusts the annual benefit adjustment so that the total COLAs do not exceed Under Section 7 and 8 of the committee amendment, LB 673 is amended into the bill, and this amendment affects the state patrol retirement system. It brings it in line of the...with the judges and the schools. The judges, I say, because it commences July 1st, the year 2000, and again provides for the COLA increase and bringing the purchasing power to 75 percent. It also clarifies the use of the national CPI. discontinues the State Patrol Purchasing Power Stabilization Fund and transfers the money to the State Patrol Retirement Fund. And with that, that concludes the committee amendment. What it does is try to bring all three systems in line with each other. If there are any questions, I'd be glad to happy...be happy to address those. Thank you.

SENATOR COORDSEN: Thank you. You've heard the opening on the committee amendments. Senator Wehrbein, to speak to the committee amendment.

SENATOR WEHRBEIN: Yes, Mr. President, members of the body, so there is no misunderstanding, I'm on the Retirement Committee. I support the committee amendments and I support the bill, but I want to note a word of caution. We do not have a complete